

HOUSE BILL NO. 742

AN ACT TO CREATE THE RECREATIONAL VEHICLE FRANCHISE LAW; TO ENACT DEFINITIONS; TO PROVIDE FOR CONTRACTING AS TO DESIGNATED DEALER TERRITORIES; TO PROVIDE FOR TERMINATION, CANCELLATION, NONRENEWAL AND ALTERATION OF A DEALERSHIP BY A MANUFACTURER OR DISTRIBUTOR WITH AND WITHOUT CAUSE; TO PROVIDE FOR TERMINATION, CANCELLATION, NONRENEWAL AND ALTERATION OF A DEALERSHIP BY A DEALER WITH AND WITHOUT CAUSE; TO PROVIDE FOR REPURCHASE OF INVENTORY UNDER CERTAIN CIRCUMSTANCES; TO PROVIDE FOR TRANSFER OF DEALERSHIP UNDER CERTAIN CIRCUMSTANCES; TO SPECIFY WARRANTY OBLIGATIONS; TO PROVIDE FOR INDEMNIFICATION OF THE PARTIES TO THE AGREEMENT UNDER CERTAIN CIRCUMSTANCES; TO PROVIDE FOR INSPECTION AND REJECTION BY A DEALER; TO PROHIBIT COERCION OF A DEALER; TO PROVIDE FOR MEDIATION OF DISPUTES; TO AMEND SECTION 63-17-73, MISSISSIPPI CODE OF 1972, AS AMENDED BY HOUSE BILL NO. 581, 2014 REGULAR SESSION, TO CONFORM; TO AMEND SECTIONS 63-17-111 AND 63-17-131, MISSISSIPPI CODE OF 1972, TO CONFORM; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. **Definitions.** As used in this act, the following terms shall have the meanings ascribed unless the context clearly indicates otherwise:

(a) "Area of sales responsibility" means the geographical area, agreed to by the dealer and the manufacturer in the manufacturer-dealer agreement, within which area the dealer

has the exclusive right to display or sell the manufacturer's new recreational vehicles of a particular line-make to the retail public.

(b) "Dealer" means any firm, corporation, partnership, individual proprietorship or other type of business enterprise whose principle business is the selling at retail of one or more of the six (6) types of recreational vehicles commonly known as travel trailers, fifth wheels, motor homes, park-model RVs, truck campers and camping trailers. The entity must maintain a permanent business establishment including service/repair facilities, open essentially twelve (12) months a year, must offer mechanical service for the vehicles it sells and must be duly licensed by the Mississippi Motor Vehicle Commission.

(c) "Distributor" means any person, firm, corporation or business entity that purchases new recreational vehicles for resale to dealers.

(d) "Factory campaign" means an effort on the part of a warrantor to contact recreational vehicle owners or dealers in order to address a part or equipment issue.

(e) "Family member" means a spouse, child, grandchild, parent, sibling, niece or nephew, or the spouse thereof.

(f) "Line-make" means a specific series of recreational vehicle products that:

(i) Are identified by a common series trade name or trademark;

(ii) Are targeted to a particular market segment, as determined by their decor, features, equipment, size, weight and price range;

(iii) Have lengths and interior floor plans that distinguish the recreational vehicles from other recreational vehicles with substantially the same decor, equipment, features, price and weight;

(iv) Belong to a single, distinct classification of recreational vehicle product type having a substantial degree of commonality in the construction of the chassis, frame and body; and

(v) The manufacturer-dealer agreement authorizes a dealer to sell.

(g) "Manufacturer" means any person, firm, corporation or business entity that engages in the manufacturing of recreational vehicles.

(h) "Manufacturer-dealer agreement" means a written agreement or contract entered into between a manufacturer and a dealer that fixes the rights and responsibilities of the parties and pursuant to which the dealer sells new recreational vehicles.

(i) "Proprietary part" means any part manufactured by or for and sold exclusively by the manufacturer.

(j) "Nonsanctioned recreational show event" means any event where one or more recreational vehicle dealers attend and

the event is conducted by a licensed Mississippi Recreational Vehicle Dealer.

(k) (i) "Recreational vehicle" means a vehicle that:

1. Is primarily designed as a vehicle that also provides temporary living quarters for noncommercial, recreational or camping use;

2. Is built to the National Fire Protection Association 1192 standard for recreational vehicles;

3. Has its own motive power or is mounted on or towed by another vehicle;

4. Is regulated by the National Highway Traffic Safety Administration as a vehicle or vehicle equipment;

5. Does not require a special highway use permit for operation on the highways; and

6. An individual can easily transport and set-up on a daily basis.

(ii) "Recreational vehicles" includes, but is not limited to, the following:

1. Motor home: A motorized, vehicular unit designed to provide temporary living quarters for recreational, camping or travel use.

2. Travel trailer: A vehicular unit, mounted on wheels, designed to provide temporary living quarters for recreational, camping or travel use of such size and weight as to

not require a special highway movement permit when towed by a motorized vehicle.

3. Fifth-wheel trailer: A vehicular unit, mounted on wheels, designed to provide temporary living quarters for recreational, camping or travel use of such size and weight as to not require a special highway movement permit and designed to be towed by a motorized vehicle that contains a towing mechanism that is mounted above or forward of the tow vehicle's rear axle.

4. Camping trailer: A vehicular unit that is mounted on wheels and constructed with collapsible partial side walls that fold for towing by another vehicle and unfold at the campsite to provide temporary living quarters for recreational, camping or travel use.

5. Truck camper: A portable unit that is constructed to provide temporary living quarters for recreational, travel or camping use, consists of a roof, floor and sides, and is designed to be loaded onto and unloaded from the back of a pickup truck.

6. "Park-model RV" means a unit that is:

a. Designed and marketed primarily as temporary living quarters for recreational, camping, travel, or seasonal use, and not for use as a permanent dwelling;

b. Between three hundred twenty (320) and four hundred (400) square feet based on the exterior dimensions of the structure measured at the largest horizontal

projections, when erected on site, including all space that has a ceiling height of more than five (5) feet and any expandable room, slide-out, tip-out, or tag-along unit;

c. Built on a single chassis and not designed to accept additional structures, add-ons or other additions that will increase the area as determined in subitem b in excess of four hundred (400) square feet;

d. Built pursuant to a third-party inspection and certification process; and

e. Built to the ANSI A119.5, Park Model RV Standard.

(l) "Sanctioned recreational show event" means any event where one or more recreational vehicle dealers attend and the event is conducted by someone other than a licensed Mississippi Recreational Vehicle Dealer.

(m) "Supplier" means any person, firm, corporation or business entity that engages in the manufacturing of recreational vehicle parts, accessories or components.

(n) "Transient customer" means a customer owns a recreational vehicle, is temporarily traveling through a dealer's area of sales responsibility, engages the dealer to perform service work on the vehicle and whose recreational vehicle requires repairs that relate to the safe operations of that recreational vehicle.

(o) "Warrantor" means any person, firm, corporation or business entity, including any manufacturer or supplier, that provides a written warranty to the consumer in connection with a new recreational vehicle or parts, accessories or components thereof. The term also includes a dealer or other person not controlled by a manufacturer who sells service contracts, mechanical or other insurance, or extended warranties for separate consideration.

SECTION 2. Written agreements; designated territories. (1)

A manufacturer or distributor may not sell a recreational vehicle in this state to or through a dealer without having first entered into a manufacturer-dealer agreement with a dealer that has been signed by both parties.

(2) The manufacturer shall designate the area of sales responsibility exclusively assigned to a dealer in the manufacturer-dealer agreement and may not change the contract area or contract with another dealer for sale of the same line-make in the designated area during the duration of the agreement.

(3) The area of sales responsibility may not be revised or changed without the consent of both parties for one (1) year after the execution of the manufacturer-dealer agreement. Upon renewal both parties must agree on stocking requirements.

(4) A recreational vehicle dealer may not sell a new recreational vehicle in this state without having first entered into a manufacturer-dealer agreement with a manufacturer or

distributor that has been signed by both parties. The manufacturer-dealer agreement must be filed with the Mississippi Motor Vehicle Commission.

(5) For any new recreational vehicle dealer licensee without an established dealership in this state, there shall be a thirty-day waiting period after the date the application has been approved by the Mississippi Motor Vehicle Commission before the new licensee may commence retail operations.

(6) A recreational vehicle manufacturer may not offer to sell or sell any new recreational vehicle to any recreational vehicle dealer at a lower actual price than the actual price charged to any other recreational vehicle dealer for the same line-make vehicle similarly equipped. This subsection shall not be construed to prevent the offering of volume discounts if such discounts are equally available to all franchised dealers in this state.

SECTION 3. Termination, cancellation, nonrenewal and alteration of a dealership. (1) **Manufacturer or distributor termination.** (a) A manufacturer or distributor, directly or through any authorized officer, agent or employee, may not terminate, cancel or fail to renew a manufacturer-dealer agreement without good cause. If the manufacturer or distributor terminates, cancels or fails to renew the manufacturer-dealer agreement without good cause, the manufacturer or distributor must comply with Section 4 of this act. If the manufacturer or

distributor terminates, cancels or fails to renew the manufacturer-dealer agreement for good cause, Section 4 of this act does not apply.

(b) The manufacturer or distributor has the burden of showing good cause for terminating, canceling or failing to renew a manufacturer-dealer agreement with a dealer. For purposes of determining whether there is good cause for the proposed action, any of the following factors may be considered:

(i) The extent of the affected dealer's penetration in the area of sales responsibility.

(ii) The nature and extent of the dealer's investment in its business.

(iii) The adequacy of the dealer's service facilities, equipment, parts, supplies and personnel.

(iv) The effect of the proposed action on the community.

(v) The extent and quality of the dealer's service under recreational vehicle warranties.

(vi) The failure to follow agreed-upon procedures or standards related to the overall operation of the dealership.

(vii) The dealer's performance under the terms of its manufacturer-dealer agreement.

(c) Except as otherwise provided in this section, a manufacturer or distributor shall provide a dealer with at least ninety (90) days' prior written notice of termination,

cancellation or nonrenewal of the manufacturer-dealer agreement if the dealer is being terminated for good cause.

(i) The notice must state all reasons for the proposed termination, cancellation or nonrenewal and must further state that if, within thirty (30) days following receipt of the notice the dealer provides to the manufacturer or distributor a written notice of intent to cure all claimed deficiencies, the dealer will then have ninety (90) days following receipt of the notice to rectify the deficiencies. If the deficiencies are rectified within ninety (90) days, the manufacturer's or distributor's notice is voided. If the dealer fails to provide the notice of intent to cure the deficiencies in the prescribed time period, the termination, cancellation or nonrenewal takes effect thirty (30) days after the dealer's receipt of the notice unless the dealer has new and untitled inventory on hand that may be disposed of pursuant to Section 4 of this act.

(ii) The notice period may be reduced to thirty (30) days if the manufacturer's or distributor's grounds for termination, cancellation or nonrenewal are due to any of the following good cause factors:

1. A dealer or one (1) of its owners being convicted of, or entering a plea of nolo contendere to, a felony;
2. The abandonment or closing of the business operations of the dealer for ten (10) consecutive business days without contacting the manufacturer prior to the closing unless

the closing is due to an act of God, strike, labor difficulty, or other cause over which the dealer has no control;

3. A significant misrepresentation by the dealer materially affecting the business relationship;

4. A suspension or revocation of the dealer's license, or refusal to renew the dealer's license;

5. A material violation of this act which is not cured within thirty (30) days after the written notice by the manufacturer; or

6. A declaration by the dealer of bankruptcy, insolvency or the occurrence of an assignment for the benefit of creditors or bankruptcy.

(d) The notice provisions of this subsection (1) do not apply if the reason for termination, cancellation or nonrenewal is the dealer's insolvency, the occurrence of an assignment for the benefit of creditors, or bankruptcy.

(2) **Dealer termination.** (a) A dealer may terminate or cancel its manufacturer-dealer agreement with a manufacturer or distributor with or without good cause by giving thirty (30) days' written notice. If the termination or cancellation is for good cause, the notice must state all reasons for the proposed termination or cancellation and must further state that if, within thirty (30) days following receipt of the notice, the manufacturer or distributor provides to the dealer a written notice of intent to cure all claimed deficiencies, the manufacturer or distributor

will then have ninety (90) days following receipt of the original notice to rectify the deficiencies. If the deficiencies are rectified within ninety (90) days, the dealer's notice is voided. If the manufacturer or distributor fails to provide the notice of intent to cure the deficiencies in the time period prescribed in the original notice of termination or cancellation, the pending termination or cancellation shall take effect thirty (30) days after the manufacturer's or distributor's receipt of the original notice.

(b) If the dealer terminates, cancels or fails to renew the manufacturer-dealer agreement without good cause, the terms of Section 4 of this act do not apply. If the dealer terminates, cancels or fails to renew the manufacturer-dealer agreement with good cause, Section 4 of this act applies. The dealer has the burden of showing good cause. Any of the following items shall be deemed "good cause" for the proposed termination, cancellation or nonrenewal action by a dealer:

(i) A manufacturer being convicted of, or entering a plea of nolo contendere to, a felony.

(ii) The business operations of the manufacturer have been abandoned or closed for ten (10) consecutive business days without contacting the dealer prior to the closing unless the closing is due to an act of God, strike, labor difficulty, or other cause over which the manufacturer has no control.

(iii) A significant misrepresentation by the manufacturer materially affecting the business relationship.

(iv) A material violation of this act that is not cured within thirty (30) days after written notice by the dealer.

(v) A declaration by the manufacturer of bankruptcy, insolvency, or the occurrence of an assignment for the benefit of creditors or bankruptcy.

SECTION 4. Repurchase of inventory. (1) If the manufacturer-dealer agreement is terminated, canceled, or not renewed by the manufacturer or distributor without good cause as defined in Section 3(1) of this act, or if the dealer terminates or cancels the manufacturer-dealer agreement for good cause as defined in Section 3(2) of this act, and the manufacturer fails to cure the claimed deficiencies as provided in Section 3(2) of this act, the manufacturer shall, at the election of the dealer and within forty-five (45) days after termination, cancellation or nonrenewal, repurchase:

(a) All new, untitled recreational vehicles that were acquired from the manufacturer or distributor within eighteen (18) months before the effective date of the notice of termination, cancellation, or nonrenewal that have not been used, except for demonstration purposes, and that have not been altered or damaged, at one hundred percent (100%) of the net invoice cost, including transportation, less applicable rebates and discounts to the dealer. If any of the vehicles repurchased pursuant to this

paragraph (a) are damaged, but do not trigger a consumer disclosure requirement, the amount due the dealer shall be reduced by the cost to repair the vehicle. Damage before delivery to the dealer that is disclosed at the time of delivery will not disqualify repurchase under this provision.

(b) All undamaged accessories and proprietary parts sold to the dealer for resale within the twelve (12) months before termination, cancellation or nonrenewal, if accompanied by the original invoice, at one hundred five percent (105%) of the original net price paid to the manufacturer or distributor to compensate the dealer for handling, packing, and shipping the parts; and

(c) Any properly functioning diagnostic equipment, special tools, current signage, and other equipment and machinery at one hundred percent (100%) of the dealer's net cost plus freight, destination, delivery and distribution charges and sales taxes, if any, if the returned items were purchased by the dealer within five (5) years before termination, cancellation or nonrenewal at the manufacturer's or distributor's request, if the dealer can establish that the items no longer can be used in the normal course of the dealer's ongoing business. The manufacturer or distributor shall pay the dealer within thirty (30) days after receipt of the returned items.

(2) The warrantor may not prohibit a dealer from selling or performing warranty service on the remaining in-stock inventory of

a particular line-make after a dealer agreement has been terminated or not renewed in accordance with the provisions of Section 3 of this act. If recreational vehicles of a line-make are not returned or required to be returned to the manufacturer, the dealer may continue to sell and perform warranty service on all line-makes that were subject to the dealer agreement and are currently in stock until those line-makes are no longer in the dealer's inventory and until all warranties are expired on those recreational vehicles retailed by that dealer.

SECTION 5. Transfer of dealership; family succession. (1)

If a dealer desires to make a change in ownership by the sale of the business assets, stock transfer, or otherwise, the dealer shall give the manufacturer or distributor written notice at least fifteen (15) business days before the closing, including all supporting documentation as may be reasonably required by the manufacturer or distributor to determine if an objection to the sale may be made. In the absence of a breach by the selling dealer of its dealer agreement or this chapter, the manufacturer or distributor shall not object to the proposed change in ownership unless the prospective transferee:

(a) Has previously been terminated by the manufacturer for breach of its dealer agreement;

(b) Has been convicted of a felony or any crime of fraud, deceit, or moral turpitude;

(c) Lacks any license required by law;

(d) Does not have an active line of credit sufficient to purchase a manufacturer's product; or

(e) Has undergone in the last ten (10) years bankruptcy, insolvency, a general assignment for the benefit of creditors, or the appointment of a receiver, trustee or conservator to take possession of the transferee's business or property. This paragraph (e) can be waived if the prospective transferee meets all of the requirements of this section and if the prospective transferee fully qualifies under the manufacturer's or lender's financial criteria.

(2) If the manufacturer or distributor objects to a proposed change of ownership, the manufacturer or distributor shall give written notice of its reasons to the dealer within ten (10) business days after receipt of the dealer's notification and complete documentation. The manufacturer or distributor has the burden of proof with regard to its objection. If the manufacturer or distributor does not give timely notice of its objection, the change or sale shall be deemed approved.

(3) It is unlawful for a manufacturer or distributor to fail to provide a dealer an opportunity to designate, in writing, a family member as a successor to the dealership in the event of the death, incapacity or retirement of the dealer. It is unlawful to prevent or refuse to honor the succession to a dealership by a family member of the deceased, incapacitated or retired dealer unless the manufacturer or distributor has provided to the dealer

written notice of its objections within ten (10) business days after receipt of the dealer's modification of the dealer's succession plan. In the absence of a breach of the dealer agreement, the manufacturer may object to the succession for the following reasons only:

(a) Conviction of the successor of a felony or any crime of fraud, deceit or moral turpitude;

(b) Bankruptcy or insolvency of the successor during the past ten (10) years. This paragraph (b) can be waived if the prospective successor meets all the requirements of this section and if the prospective successor fully qualifies under the manufacturer's or lender's financial criteria;

(c) Prior termination by the manufacturer of the successor for breach of a dealer agreement;

(d) The lack of an active line of credit for the successor sufficient to purchase the manufacturer's product; or

(e) The lack of any license for the successor required by law.

(4) The manufacturer or distributor has the burden of proof regarding its objection. However, a family member may not succeed to a dealership if the succession involves, without the manufacturer's or distributor's consent, a relocation of the business or an alteration of the terms and conditions of the manufacturer-dealer agreement.

SECTION 6. Warranty obligations. (1) Each warrantor shall:

(a) Specify in writing to each of its dealer obligations, if any, for preparation, delivery and warranty service on its products;

(b) Compensate the dealer for warranty service required of the dealer by the warrantor; and

(c) Provide the dealer the schedule of compensation to be paid and the time allowances for the performance of any work and service. The schedule of compensation must include reasonable compensation for diagnostic work as well as warranty labor.

(2) Time allowances for the diagnosis and performance of warranty labor must be reasonable for the work to be performed. In the determination of what constitutes reasonable compensation under this section, the principal factors to be given consideration shall be the actual wage rates being paid by the dealer, and the actual retail labor rate being charged by the dealers in the community in which the dealer is doing business. The compensation of a dealer for warranty labor may not be less than the lowest retail labor rates actually charged by the dealer for like nonwarranty labor as long as such rates are reasonable.

(3) The warrantor shall reimburse the dealer for warranty parts at actual wholesale cost plus a minimum thirty percent (30%) handling charge and the cost, if any, of freight to return warranty parts to the warrantor.

(4) Warranty audits of dealer records may be conducted by the warrantor on a reasonable basis, not to exceed a twelve-month

look-back period from the current calendar date and dealer claims for warranty compensation may not be denied except for cause, such as performance of nonwarranty repairs, material noncompliance with the warrantor's published policies and procedures, lack of material documentation, fraud or misrepresentation.

(5) The dealer shall submit warranty claims within thirty (30) days after completing work.

(6) The dealer shall immediately notify the warrantor in writing if the dealer is unable to perform any warranty repairs within ten (10) days of receipt of written complaints from a consumer.

(7) The warrantor shall disapprove warranty claims in writing within thirty (30) days after the date of submission by the dealer in the manner and form prescribed by the warrantor. All claims shall be paid as authorized. Claims submitted according to warrantor's guidelines not specifically disapproved in writing within thirty (30) days shall be construed to be approved and must be paid within thirty (30) days of submission. Claims related to any type of service contract, mechanical or other insurance, or extended warranty sold for separate consideration by a dealer or other person not controlled by a manufacturer must be paid to the dealer as authorized immediately upon submission of completion by the dealer.

(8) It is a violation of this act for any warrantor to:

(a) Fail to perform any of its warranty obligations with respect to its warranted products;

(b) Fail to include, in written notices of factory campaigns to recreational vehicle owners and dealers, the expected date by which necessary parts and equipment, including tires and chassis or chassis parts, will be available to dealers to perform the campaign work. The warrantor may ship parts to the dealer to effect the campaign work, and, if such parts are in excess of the dealer's requirements, the dealer may return unused parts to the warrantor for credit after completion of the campaign;

(c) Fail to compensate any of its dealers for authorized repairs effected by the dealer of merchandise damaged in manufacture or transit to the dealer, if the carrier is designated by the warrantor, factory branch, distributor or distributor branch;

(d) Fail to compensate any of its dealers in accordance with the schedule of compensation provided to the dealer pursuant to this section if performed in a timely and competent manner;

(e) Intentionally misrepresent in any way to purchasers of recreational vehicles that warranties with respect to the manufacture, performance or design of the vehicle are made by the dealer as warrantor or co-warrantor; or

(f) Require the dealer to make warranties to customers in any manner related to the manufacture of the recreational vehicle.

(9) It is a violation of this act for any dealer to:

(a) Fail to perform pre-delivery inspection functions, as specified by the warrantor, in a competent and timely manner;

(b) Fail to perform warranty service work authorized by the warrantor in a reasonably competent and timely manner on any transient customer's vehicle of the same line-make;

(c) Fail to accurately document the time spent completing each repair, the total number of repair attempts conducted on a single unit, and the number of repair attempts for the same repair conducted on a single vehicle;

(d) Fail to notify the warrantor within ten (10) days of a second repair attempt which impairs the use, value or safety of the vehicle;

(e) Fail to maintain written records, including a consumer's signature, regarding the amount of time a unit is stored for the consumer's convenience during a repair; or

(f) Make fraudulent warranty claims or misrepresent the terms of any warranty.

SECTION 7. Indemnification. Notwithstanding the terms of any manufacturer-dealer agreement, it is a violation of this act for:

(a) A warrantor to fail to indemnify and hold harmless its dealer against any losses or damages to the extent the losses or damages are caused by the negligence or willful misconduct of the warrantor. The dealer shall provide to the warrantor a copy

of any pending law suit or similar proceeding in which allegations are made that come within this subsection within ten (10) days after receiving the suit.

(b) A dealer to fail to indemnify and hold harmless its warrantor against any losses or damages to the extent the losses or damages are caused by the negligence or willful misconduct of the dealer. The warrantor shall provide to the dealer a copy of any pending law suit or similar proceeding in which allegations are made that come within this subsection within ten (10) days after receiving the suit.

SECTION 8. Inspection and rejection by dealer. (1)

Whenever a new recreational vehicle is damaged before transit to the dealer or is damaged in transit to the dealer when the carrier or means of transportation has been selected by the manufacturer or distributor, the dealer shall notify the manufacturer or distributor of the damage within the timeframe specified in the manufacturer-dealer agreement and:

(a) Request from the manufacturer or distributor authorization to replace the components, parts and accessories damaged or otherwise correct the damage; or

(b) Reject the vehicle within the timeframe set forth in subsection (4) of this section.

(2) If the manufacturer or distributor refuses or fails to authorize repair of such damage within ten (10) days after receipt of notification, or if the dealer rejects the recreational vehicle

because of damage, ownership of the new recreational vehicle shall revert to the manufacturer or distributor.

(3) The dealer shall exercise due care in custody of the damaged recreational vehicle, but the dealer shall have no other obligations, financial or otherwise, with respect to that recreational vehicle.

(4) The timeframe for inspection and rejection by the dealer must be part of the manufacturer-dealer agreement and may not be less than two (2) business days after the physical delivery of the recreational vehicle.

(5) Any recreational vehicle that has, at the time of delivery to the dealer, an unreasonable amount of miles on its odometer, as determined by the dealer, may be subject to rejection by the dealer and reversion of the vehicle to the manufacturer or distributor. In no instance shall a dealer deem an amount less than the distance between the dealer and the manufacturer's factory or a distributor's point of distribution, plus one hundred (100) miles, as unreasonable.

SECTION 9. Coercion of dealer prohibited. (1) A

manufacturer or distributor may not coerce or attempt to coerce a dealer to:

- (a) Purchase a product that the dealer did not order;
- (b) Enter into an agreement with the manufacturer or distributor; or

(c) Enter into an agreement that requires the dealer to submit its disputes to binding arbitration or otherwise waive rights or responsibilities provided under this act.

(2) As used in this section, the term "coerce" includes, but is not limited to, threatening to terminate, cancel or not renew a manufacturer-dealer agreement without good cause or threatening to withhold product lines the dealer is entitled to purchase pursuant to the manufacturer-dealer agreement or delay product delivery as an inducement to amending the manufacturer-dealer agreement.

SECTION 10. Mediation. (1) A dealer, manufacturer or warrantor injured by another party's violation of this act may bring a civil action in circuit court to recover actual damages. The court shall award attorney's fees and costs to the prevailing party in such an action. Venue for any civil action authorized by this section shall exclusively be in the county in which the dealer's business is located. In an action involving more than one (1) dealer, venue may be in any county in which any dealer that is party to the action is located.

(2) Prior to bringing suit under this section, the party bringing suit for an alleged violation shall serve a written demand for mediation upon the offending party.

(a) The demand for mediation shall be served upon the other party via certified mail at the address stated within the manufacturer-dealer agreement between the parties.

(b) The demand for mediation shall contain a brief statement of the dispute and the relief sought by the party filing the demand.

(c) Within twenty (20) days after the date a demand for mediation is served, the parties shall mutually select an independent certified mediator and meet with that mediator for the purpose of attempting to resolve the dispute. The meeting place shall be in this state in a location selected by the mediator. The mediator may extend the date of the meeting for good cause shown either party or upon stipulation of both parties.

(d) The service of a demand for mediation under this section shall toll the time for the filing of any complaint, petition, protest or other action under this act until representatives of both parties have met with a mutually selected mediator for the purpose of attempting to resolve the dispute. If a complaint, petition, protest or other action is filed before that meeting, the court shall enter an order suspending the proceeding or action until the mediation meeting has occurred and may, upon written stipulation of all parties to the proceeding or action that they wish to continue to mediate under this section, enter an order suspending the proceeding or action for as long a period as the court considers appropriate.

(e) The parties to the mediation shall bear their own costs for attorney's fees and divide equally the cost of the mediator.

(3) In addition to the remedies provided in this section and notwithstanding the existence of any additional remedy at law, a manufacturer, or warrantor, or a dealer is authorized to make application to a circuit court for the grant, upon a hearing and for cause shown, of a temporary or permanent injunction, or both, restraining any person from acting as a dealer without being properly licensed, from violating or continuing to violate any of the provisions of this act, or from failing or refusing to comply with the requirements of this act. Injunction under this provision shall be issued without bond. A single act in violation of the provisions of this act shall be sufficient to authorize the issuance of an injunction.

SECTION 11. Selling at shows. (1) A recreational vehicle dealer may not sell or display for sale a new recreational vehicle in this state unless the dealer is licensed by the Mississippi Motor Vehicle Commission to sell recreational vehicles in the State of Mississippi. The recreational vehicle dealer is also required to have a dealer agreement with the manufacturer of the recreational vehicle that meets the requirements of Sections 1 through 11 of this act and is signed by both parties.

(2) Out-of-state recreational vehicle dealers may participate in sanctioned or nonsanctioned recreational vehicle shows under the following circumstances:

(a) An out-of-state recreational vehicle dealer must have the unanimous approval, in writing, of all recreational

vehicle dealers that have the area of responsibility where the sanctioned or nonsanctioned show event is held;

(b) Out-of-state recreational vehicle dealers must obtain permission, in writing, from the manufacturer for all models to be displayed where the sanctioned or nonsanctioned show event is being held; and

(c) Out-of-state recreational vehicle dealers must obtain a permit from the Mississippi Motor Vehicle Commission to participate in a sanctioned recreational vehicle show.

(3) A recreational vehicle dealer may not conduct sales activity or display for sale recreational vehicles outside of the dealer's designated area of sales responsibility.

(4) A recreational vehicle dealer may sell off-premises within the area of sales responsibility of the dealer under the following circumstances:

(a) At sanctioned recreational vehicle shows where the sales event is held off premises. A sanctioned recreational vehicle show may be held only under the following conditions:

(i) The sponsoring entity of the sales event shall obtain a permit from the Mississippi Motor Vehicle Commission, which shall be for a period not to exceed ten (10) consecutive days;

(ii) New recreational vehicle dealers whose manufacturer-approved area of responsibility includes the event

location shall be eligible to participate in the sanctioned recreational vehicle show; and

(iii) The sanctioned recreational vehicle show shall be conducted within municipal, county or state-owned or controlled facilities or within the grounds of any county, district or state fair; and

(b) At nonsanctioned recreational vehicle shows where one or more recreational vehicle dealers may sell recreational vehicles off premises under the following conditions:

(i) The location of the nonsanctioned recreational vehicle show shall be within the manufacturer-approved area of responsibility;

(ii) The nonsanctioned recreational vehicle show shall occur not more than five (5) consecutive days per event, excluding county, district or state fairs;

(iii) Each recreational vehicle dealer may participate in not more than eight (8) nonsanctioned recreational vehicle shows per calendar year; and

(iv) Nonsanctioned recreational vehicle shows shall be held on privately owned property not closer than two and one-half (2.5) miles to any other nonparticipating recreational vehicle dealer; provided, however, a nonsanctioned recreational vehicle show may be held on county or municipally owned property with no mileage barrier restriction.

(5) A recreational vehicle dealer may display a recreational vehicle within the designated area of responsibility of the recreational vehicle dealer for promotional purposes. At an off-premises display event, no sales activities shall be conducted including, but not limited to, negotiations, financing and accepting credit applications. Sales or finance personnel shall not be permitted to participate at an off-premises display event.

SECTION 12. Section 63-17-73, Mississippi Code of 1972, as amended by House Bill No. 581, 2014 Regular Session, is amended as follows:

63-17-73. (1) It is unlawful and a misdemeanor:

(a) For any person, firm, association, corporation or trust to engage in business as, or serve in the capacity of, or act as a motor vehicle dealer, motor vehicle salesman, manufacturer, distributor, wholesaler, factory branch or division, distributor branch or division, wholesaler branch or division, factory representative or distributor representative, as such, in this state without first obtaining a license therefor as provided in the Mississippi Motor Vehicle Commission Law, regardless of whether or not the person, firm, association, corporation or trust maintains or has a place or places of business in this state. Any person, firm, association, corporation or trust engaging, acting or serving in more than one (1) of the capacities or having more than one (1) place where the business is carried on or conducted

shall be required to obtain and hold a current license for each capacity and place of business.

(b) For a motor vehicle dealer or a motor vehicle salesman:

* * * (i) To require a purchaser of a new motor vehicle, as a condition of sale and delivery thereof, to also purchase special features, appliances, equipment, parts or accessories not desired or requested by the purchaser. However, this prohibition shall not apply as to special features, appliances, equipment, parts or accessories which are already installed on the car when received by the dealer.

* * * (ii) To represent and sell as a new motor vehicle any motor vehicle which has been used and operated for demonstration purposes or which is otherwise a used motor vehicle.

* * * (iii) To resort to or use any false or misleading advertisement in connection with his business as a motor vehicle dealer or motor vehicle salesman.

(iv) To sell an extended service contract, extended maintenance plan or similar product that is not offered, endorsed or sponsored by a manufacturer or distributor without disclosing to the consumer, orally and in writing, that the offered product is not provided or supported by a manufacturer or distributor.

(c) For a manufacturer, a distributor, a wholesaler, a distributor branch or division, a factory branch or division, or a

wholesaler branch or division, or officer, agent or other representative thereof, to coerce, or attempt to coerce, any motor vehicle dealer:

* * * (i) To order or accept delivery of any motor vehicle or vehicles, appliances, equipment, parts or accessories therefor, or any other commodity or commodities which shall not have been voluntarily ordered by the motor vehicle dealer.

* * * (ii) To order or accept delivery of any motor vehicle with special features, appliances, accessories or equipment not included in the list price of the motor vehicles as publicly advertised by the manufacturer thereof.

* * * (iii) To order for any person any parts, accessories, equipment, machinery, tools, appliances or any commodity whatsoever.

* * * (iv) To contribute or pay money or anything of value into any cooperative or other advertising program or fund.

This paragraph (c) shall not apply to manufacturers of motor homes governed by the provisions of Sections 1 through 11 of this act.

(d) For a manufacturer, a distributor, a wholesaler, a distributor branch or division, a factory branch or division, or a wholesaler branch or division, or officer, agent or other representative thereof:

* * * (i) To refuse to deliver in reasonable quantities and within a reasonable time after receipt of dealer's order to any duly licensed motor vehicle dealer having a franchise or contractual arrangement for the retail sale of new motor vehicles sold or distributed by such manufacturer, distributor, wholesaler, distributor branch or division, factory branch or division or wholesale branch or division, any motor vehicles as are covered by such franchise or contract specifically publicly advertised by the manufacturer, distributor, wholesaler, distributor branch or division, factory branch or division or wholesale branch or division, to be available for immediate delivery. However, the failure to deliver any motor vehicle shall not be considered a violation of this subsection if the failure * * * is due to acts of God, work stoppages or delays due to strikes or labor difficulties, freight embargoes or other causes over which the manufacturer, distributor or wholesaler, or any agent thereof, * * * has no control.

* * * (ii) To coerce, or attempt to coerce any motor vehicle dealer to enter into any agreement, with the manufacturer, distributor, wholesaler, distributor branch or division, factory branch or division, or wholesaler branch or division, or officer, agent or other representative thereof, or to do any other act prejudicial to the dealer by threatening to cancel any franchise or any contractual agreement existing between the manufacturer, distributor, wholesaler, distributor branch or

division, factory branch or division, or wholesaler branch or division, and the dealer. However, good-faith notice to any motor vehicle dealer of the dealer's violation of any terms or provisions of the franchise or contractual agreement shall not constitute a violation of this subsection.

* * * (iii) To terminate or cancel the franchise or selling agreement of any dealer without due cause. The nonrenewal of a franchise or selling agreement, without due cause, shall constitute an unfair termination or cancellation, regardless of the terms or provisions of such franchise or selling agreement. "Due cause" shall be defined as a breach by the dealer of a material provision of the franchise agreement which breach has not been cured within a reasonable time after the dealer has been given written notice of the breach. The burden of proving that due cause exists shall be upon the party attempting to terminate, cancel or not renew the franchise or selling agreement. The manufacturer, distributor, wholesaler, distributor branch or division, factory branch or division, or wholesaler branch or division, or officer, agent or other representative thereof shall notify a motor vehicle dealer in writing, and forward a copy of the notice to the commission, of the termination or cancellation of the franchise or selling agreement of the dealer at least sixty (60) days before the effective date thereof, stating the specific grounds for such termination or cancellation. The manufacturer, distributor, wholesaler, distributor branch or division, factory

branch or division, or wholesaler branch or division, or officer, agent or other representative thereof shall notify a motor vehicle dealer in writing, and forward a copy of the notice to the commission, at least sixty (60) days before the contractual term of his franchise or selling agreement expires that the franchise or selling agreement will not be renewed, stating the specific grounds for the nonrenewal, in those cases where there is no intention to renew the franchise or selling agreement. In no event shall the contractual term of any franchise or selling agreement expire, without the written consent of the motor vehicle dealer involved, prior to the expiration of at least sixty (60) days following such written notice. Any motor vehicle dealer who receives written notice that his franchise or selling agreement is being terminated or cancelled or who receives written notice that his franchise or selling agreement will not be renewed, may, within the sixty-day notice period, file with the commission a verified complaint for its determination as to whether the termination or cancellation or nonrenewal is unfair within the purview of the Mississippi Motor Vehicle Commission Law, and the franchise * * * agreement shall continue in effect until final determination of the issues raised in the complaint notwithstanding anything to the contrary contained in the law or in the franchise or selling agreement.

* * *

(iv) To require, attempt to require, coerce or attempt to coerce a dealer, by franchise agreement or otherwise, or as a condition to the renewal or continuation of a franchise agreement, to materially change the dealer's method of conducting business, not including its facilities, if the change would impose substantial and unreasonable financial hardship on the business of the motor vehicle dealer in light of the business objective of the proposed change, unless the change is voluntarily agreed to by the dealer for separate and valuable consideration.

* * * (v) To offer to sell or to sell any new motor vehicle to any motor vehicle dealer at a lower actual price therefor than the actual price charged to any other motor vehicle dealer for the same model vehicle similarly equipped or to utilize any device, including, but not limited to, sales promotion plans or programs which result in such lesser actual price. The provisions of this * * * subparagraph shall not apply so long as a manufacturer, distributor or wholesaler, or any agent thereof, offers to sell or sells new motor vehicles to all motor vehicle dealers at the same price. This * * * subparagraph shall not be construed to prevent the offering of volume discounts if such discounts are equally available to all franchised motor vehicle dealers of the same line or make in this state.

The provisions of this subsection shall not apply to sales to a motor vehicle dealer of any motor vehicle ultimately sold, donated or used by * * * such dealer in a driver education

program, * * * to sales to a motor vehicle dealer for resale to any unit of government, federal, state or local, or to bona fide fleet sales.

* * *

* * * (vi) To offer to sell or to sell parts and/or accessories to any new motor vehicle dealer for use in his own business for the purpose of repairing or replacing the same or a comparable part or accessory, at a lower actual price therefor than the actual price charged to any other new motor vehicle dealer for similar parts and/or accessories for use in his own business. However, it is recognized that certain motor vehicle dealers operate and serve as wholesalers of parts and accessories to retail outlets, and nothing herein contained shall be construed to prevent a manufacturer, distributor or wholesaler, or any agent thereof, from selling to a motor vehicle dealer who operates and serves as a wholesaler of parts and accessories, the parts and accessories as may be ordered by such motor vehicle dealer for resale to retail outlets, at a lower actual price than the actual price charged a motor vehicle dealer who does not operate or serve as a wholesaler of parts and accessories.

* * * (vii) To prevent or attempt to prevent by contract or otherwise any motor vehicle dealer from changing the capital structure of his dealership or the means by or through which he finances the operation of his dealership, provided the motor vehicle dealer at all times meets any capital standards

agreed to between the dealership and the manufacturer, distributor or wholesaler, provided such standards are deemed reasonable by the commission.

* * * (viii) To prevent or attempt to prevent by contract or otherwise any motor vehicle dealer or any officer, partner or stockholder of any motor vehicle dealer from selling or transferring any part of the interest of any of them to any other person or persons or party or parties. However, no motor vehicle dealer, officer, partner or stockholder shall have the right to sell, transfer or assign the franchise or any right thereunder without the consent of the manufacturer, distributor or wholesaler which consent shall not be unreasonably withheld.

* * * (ix) To condition unreasonably the renewal or extension of a franchise on a motor vehicle dealer's substantial renovation of the motor vehicle dealer's place of business or on the construction, purchase, acquisition or rental of a new place of business by the motor vehicle dealer. The manufacturer shall notify the motor vehicle dealer in writing of its intent to impose such a condition within a reasonable time prior to the effective date of the proposed renewal or extension, but in no case less than one hundred eighty (180) days prior to the renewal or extension. Upon receipt of written notification, a motor vehicle dealer shall have sixty (60) days to file a protest with the commission, and the manufacturer shall demonstrate to the commission the need for the demand in view of the need to service

the public and the economic conditions existing in the motor vehicle industry and the market area served by the motor vehicle dealer at the time the action would be required of the motor vehicle dealer. As part of any such condition the manufacturer shall offer the motor vehicle dealer a reasonable initial supply and model mix of motor vehicles to meet the sales levels necessary to support the increased overhead incurred by the motor vehicle dealer by reason of the renovation, construction, purchase or rental of a new place of business consistent with nationally applied standards.

* * * (x) To require, coerce or attempt to coerce a motor vehicle dealer to refrain from participation in the management of, investment in * * *, the acquisition of, or the current operation of any other line of motor vehicles or related products, as long as the motor vehicle dealer maintains a reasonable line of credit for each dealership and the motor vehicle dealer remains in substantial compliance with reasonable facilities' requirements of the manufacturer or distributor. The reasonable facilities' requirements may not include any requirement that a motor vehicle dealer establish or maintain exclusive facilities, personnel or display space when the requirements are unreasonable considering current economic conditions in the market area and not otherwise justified by reasonable business considerations. The burden of proving by a preponderance of the evidence that the current economic conditions

and reasonable business considerations * * * justify exclusive facilities is on the * * * manufacturer. Voluntary and noncoerced acceptance of such conditions by the motor vehicle dealer in writing for separate and valuable consideration shall not constitute a violation.

* * * (xi) To fail or refuse to sell or offer to sell to all motor vehicle dealers in a line or make, every motor vehicle sold or offered for sale under the franchise agreement to any motor vehicle dealer of the same line or make; or to unreasonably require a motor vehicle dealer to pay an extra fee, purchase unreasonable advertising displays or any other materials, or to unreasonably require the dealer-operator to remodel, renovate or recondition its existing facilities as a prerequisite to receiving a certain model or series of vehicles. However, the failure to deliver any such motor vehicle shall not be considered a violation of this section if the failure is not arbitrary and is due to a lack of manufacturing capacity or to a strike or labor difficulty, a shortage of materials, a freight embargo or other cause of which the manufacturer or distributor has no control. This provision shall not apply to manufacturers of recreational vehicles.

(xii) To condition the sale, transfer, relocation or renewal of a franchise or dealer agreement or to condition sales, services, parts or finance incentives upon site-control agreement; however, voluntary and noncoerced acceptance of such

conditions by the motor vehicle dealer in writing, shall not constitute a violation.

(xiii) To assign or change a motor vehicle dealer's market area under the franchise or motor vehicle dealer's agreement arbitrarily or without due regard to the present or projected future pattern of motor vehicle sales and registrations within the motor vehicle dealer's market area, and without first having provided the motor vehicle dealer's with written notice of the change in the motor vehicle dealer's market area and a detailed description of the change and reasons therefor.

* * * (xiv) To attempt to coerce, or coerce, a motor vehicle dealer to adhere to performance standards that are not applied uniformly to other similarly situated motor vehicle dealers. * * *

(xv) To establish any performance standard or program for measuring motor vehicle dealer's performance that may have a material impact on a motor vehicle dealer that is not fair, reasonable and equitable, or applying any such standard or program to a motor vehicle dealer in a manner that is not fair, reasonable and equitable. If dealership performance standards are based on a survey, the manufacturer or distributor shall establish the objectivity of the survey process and provide this information to any motor vehicle dealer * * * covered by the survey request. * * * Within fifteen (15) business days of a request * * * by the motor vehicle dealer, a manufacturer * * *

shall disclose in writing to the motor vehicle dealer a description of * * * the performance standard or program * * * and all relevant information * * * used in the application of the performance standard or program to that motor vehicle dealer unless the manufacturer has already provided the information.

* * * (xvi) To increase prices of new motor vehicles which the new motor vehicle dealer had ordered for the ultimate purchasers prior to the motor vehicle dealer's receipt of written official price increase notification. A sales contract signed by the ultimate purchaser that includes model and firm price shall constitute evidence of each such order provided that the vehicle is in fact delivered to that purchaser.

(xvii) To attempt to require, coerce or attempt to coerce any new motor vehicle dealer to sell, offer to sell or sell exclusively an extended service contract, extended maintenance plan or similar product, including, without limitation, GAP products, offered, endorsed or sponsored by the manufacturer or distributor by any of the following means:

1. By an act or statement made by the manufacturer or distributor that will adversely impact the motor vehicle dealer whether it is express or implied; or

2. By a provision in a franchise agreement that the motor vehicle dealer shall sell, offer to sell or sell exclusively an extended service contract, extended warranty plan

or similar product offered, endorsed or sponsored by the manufacturer or distributor; or

3. By measuring the motor vehicle dealer's performance under the franchise agreement based on the sale of extended service contracts, extended maintenance plans or similar products offered, endorsed or sponsored by the manufacturer or distributor; or

4. By requiring the motor vehicle dealer to actively promote the sale or extended service contracts, extended maintenance plans or similar products offered, endorsed or sponsored by the manufacturer or distributor.

Nothing in this subparagraph shall prohibit a manufacturer or distributor from providing incentive programs to a new motor vehicle dealer who makes the voluntary decision to offer to sell, sell or sell exclusively an extended service contract, extended maintenance plan or similar product offered, endorsed or sponsored by the manufacturer or distributor.

(xviii) To require a motor vehicle dealer to provide its customer lists or service files to the manufacturer or distributor, unless necessary for the sale and delivery of a new motor vehicle to a consumer, to validate and pay consumer or dealer incentives, for reasonable marketing purposes, for evaluation of dealer performance, for analytics or for the submission to the franchisor for any services supplied by the franchisee for any claim for warranty parts or repairs. Nothing

in this section shall limit the franchisor's ability to require or use customer information to satisfy any safety or recall notice obligation or other legal obligation.

(xix) To release or cause to be released a motor vehicle dealer's nonpublic customer information to another motor vehicle dealer unless the franchise has been terminated, the customer has relocated to an address that is outside of the motor vehicle dealer's market area, the customer has transacted business with another motor vehicle dealer of the same brand, a customer has not transacted with the dealer from which a vehicle was purchased for a period of nine (9) months, or the motor vehicle dealer consents to the sharing of customer information with other dealers.

(xx) To coerce, attempt to coerce, require or attempt to require any motor vehicle dealer to provide installment financing with a specified financial institution.

This paragraph (d) shall not apply to manufacturers of motor homes governed by the provisions of Sections 1 through 11 of this act.

(2) Concerning any sale of a motor vehicle or vehicles to the State of Mississippi, or to the several counties or municipalities thereof, or to any other political subdivision thereof, no manufacturer, distributor or wholesaler shall offer any discounts, refunds, or any other similar type inducements to any dealer without making the same offer or offers to all other of

its dealers within the state. If the inducements above mentioned are made, the manufacturer, distributor or wholesaler shall give simultaneous notice thereof to all of its dealers within the state.

(3) It is unlawful to be a broker. For the purpose of this subsection, "broker" means a person who, for a fee, commission or other valuable consideration, arranges or offers to arrange a transaction involving the sale, for purposes other than resale, of a new motor vehicle, and who is not:

(a) A new motor vehicle dealer or agent or employee of such a dealer; or

(b) A distributor or an agent or employee of such a distributor.

However, an individual shall not be deemed to be a broker if he or she is the owner of the new or used motor vehicle which is the object of the brokering transaction.

SECTION 13. Section 63-17-111, Mississippi Code of 1972, is amended as follows:

63-17-111. (1) Notwithstanding the terms of any franchise agreement, any dealer-operator may appoint by will, or other written instrument, a designated successor to succeed in the ownership of the dealer-operator in the dealership upon the death or incapacity of the dealer-operator.

(2) Unless good cause exists for the refusal to honor the succession on the part of the manufacturer or distributor, any

designated successor of a deceased or incapacitated dealer-operator of a dealership may succeed to the ownership of the motor vehicle dealership under the existing franchise agreement if:

(a) The designated successor gives the manufacturer or distributor written notice of his or her intention to succeed to the ownership of the motor vehicle dealership within sixty (60) days after the dealer-operator's death or incapacity; and

(b) The designated successor agrees to be bound by all the terms and conditions of the * * * sales and service agreement.

(3) The manufacturer or distributor may request, and the designated successor shall provide promptly upon such request, personal and financial data reasonably necessary to determine whether the succession should be honored.

(4) (a) If the manufacturer or distributor believes that good cause exists for refusing to honor the succession of a deceased or incapacitated dealer, the manufacturer or distributor may, not more than sixty (60) days following receipt of the notice of the designated successor's intent to succeed and receipt of such personal and financial data, serve upon the designated successor notice of its refusal to honor the proposed succession and of its intent to terminate the existing franchise with the dealer-operator not earlier than six (6) months from the date such notice of refusal is served.

(b) Such notice shall state the specific grounds for the refusal to honor the succession.

(c) If such notice is not timely served upon the designated successor, the franchise agreement shall continue in effect subject to termination only as otherwise provided by the Mississippi Motor Vehicle Commission Law.

(5) In determining whether good cause for the refusal to honor the succession exists, the manufacturer or distributor has the burden of proving that the designated successor is not of good moral character or does not otherwise meet the manufacturer's or distributor's reasonable standards for a dealer-operator.

(6) If a manufacturer or distributor refuses to honor the succession to the ownership interest of a deceased or incapacitated dealer-operator for good cause, the manufacturer or distributor shall allow the designated successor a reasonable period of time, which shall not be less than six (6) months, in which to consummate the sale of the dealership.

(7) Changes in the ownership of a new motor home dealership shall be governed by the provisions of Sections 1 through 11 of this act.

SECTION 14. Section 63-17-131, Mississippi Code of 1972, is amended as follows:

63-17-131. Any person, partnership, association of persons or corporation engaged in the manufacture and/or distribution of motor vehicles, whether resident or nonresident of the State of

Mississippi, transacting the business of manufacturing, distribution, or sale of motor vehicles or the parts or accessories thereof in the State of Mississippi, shall file in the Office of the Secretary of State the form of a contract which is to be entered into between such manufacturer with its agent, dealer or representative in this state. Upon the approval by the Attorney General of * * * the contract, the contract shall become binding on all parties thereto. The failure to file * * * the contract with the Secretary of State as provided herein and to secure the approval thereof of the Attorney General of the state, shall render the contract unenforceable. This section shall not apply to dealers or manufacturers of motor homes governed by the provisions of Sections 1 through 11 of this act.

SECTION 15. The codifier is directed to codify Sections 1 through 11 of this act in Title 63, Chapter 17, Mississippi Code of 1972.

SECTION 16. This act shall take effect and be in force from

and after October 1, 2014, and shall apply to manufacturer-dealer agreements entered into on or after that date.

PASSED BY THE HOUSE OF REPRESENTATIVES
April 2, 2014


SPEAKER OF THE HOUSE OF REPRESENTATIVES

PASSED BY THE SENATE
April 1, 2014


PRESIDENT OF THE SENATE

APPROVED BY THE GOVERNOR


GOVERNOR

4/24/14

10:20am